1997-98 SESSION COMMITTEE HEARING RECORDS

<u>Committee Name:</u> Joint Committee on Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- > 05hrAC-EdR_RCP_pt01a
- > 05hrAC-EdR_RCP_pt01b
- > 05hrAC-EdR_RCP_pt02

- > Appointments ... Appt
- > **
- > Clearinghouse Rules ... CRule
- > **
- > Committee Hearings ... CH
- > **
- > Committee Reports ... CR
- > **
- > Executive Sessions ... ES
- > **
- > <u>Hearing Records</u> ... HR
- > **
- > Miscellaneous ... Misc
- > 97hrJC-Fi_Misc_pt43_LFB
- Record of Comm. Proceedings ... RCP
- > **

Child Abuse and Neglect Prevention Board

(LFB Budget Summary Document: Page 99)

No Issue Papers Have Been Prepared

Adult Entertainment Tax and Domestic Violence Programs

Motion:

Move to provide \$744,700 GPR in 1997-98 and \$1,489,400 GPR in 1998-99 to the Department of Health and Family Services (DHFS) to: (a) fund grants for local domestic violence programs (\$420,000 in 1997-98 and \$840,000 in 1998-99); (b) fund grants to establish programs to provide services to children from violent homes (\$450,000 in 1997-98 and \$900,000 in 1998-99; and (c) delete funds currently allocated to counties and tribes with no local programs (-\$125,300 GPR in 1997-98 and -\$250,600 GPR in 1998-99).

Adopt the Governor's recommendations to provide \$150,000 FED and \$90,000 PR annually for DHFS to distribute as grants for local domestic violence programs to fund eight local domestic violence programs. In addition, provide \$90,000 PR for DHFS to reflect funding transferred from the Office of Justice Assistance to support three additional local domestic violence programs.

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JENSEN OURADA HARSDORF ALBERS GARD KAUFERT LINTON COGGS	* * * * * * * * * * * * * * * * * * *	A A A A A A A
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Adult Entertainment Tax and Domestic Violence Programs

Motion:

Move to impose a 5% gross receipts tax on the sale of adult entertainment products and services, effective January 1, 1998. Provide that the products and services subject to the tax would generally be the same items that are defined as being harmful to children under current law, except that movies and magazines would not be subject to the tax. Specify that the tax would be imposed on the admittance to a strip club. Direct the Department of Revenue to promulgate administrative rules specifying the products and services that would be subject to the tax.

Provide \$744,700 GPR in 1997-98 and \$1,489,400 GPR in 1998-99 to the Department of Health and Family Services (DHFS) to: (a) fund grants for local domestic violence programs (\$420,000 in 1997-98 and \$840,000 in 1998-99); (b) fund grants to establish programs to provide services to children from violent homes (\$450,000 in 1997-98 and \$900,000 in 1998-99; and (c) delete funds currently allocated to counties and tribes with no local programs (-\$125,300 GPR in 1997-98 and -\$250,600 GPR in 1998-99).

Adopt the Governor's recommendations to provide \$150,000 FED and \$90,000 PR annually for DHFS to distribute as grants for local domestic violence programs to fund eight local domestic violence programs. In addition, provide \$90,000 PR for DHFS to reflect funding transferred from the Office of Justice Assistance to support three additional local domestic violence programs.

Note:

Motion #3105

Adult Entertainment Tax. This motion would impose a 5% gross receipts tax on the sale of adult entertainment products and services. The products and services subject to the tax would be the same items which are defined as being harmful to children under current law (s. 948.11), except the tax would not apply to movies and magazines. This statutory provision is listed in Attachment 1. In addition, the tax would be imposed on the admittance to a strip club. The tax would be assessed and administered in a manner similar to the state's 5% general sales and use tax.

-1-

It is estimated that this tax would generate approximately \$1.5 million annually. Statistical data on the purchase of items that would be subject to the tax is not available. As a result, the fiscal estimate is based on projections of the amount spent on adult entertainment nationally in 1996, adjusted to reflect Wisconsin's share of national population.

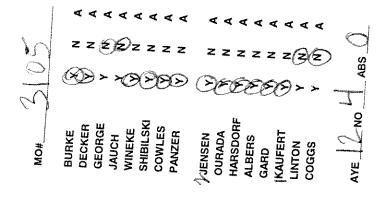
It should be noted that imposing a tax on adult entertainment could be difficult to administer. Specifically, it could be difficult to identify what is and what is not subject to the tax. For example, what is considered "pornography" and what is considered to have legitimate artistic or some other value could be subjective, leaving potential for litigation.

Further, staff at the Attorney General's Office indicate that this tax proposal could be found to violate the First Amendment to the U.S. Constitution (freedom of speech) because it would discriminate based on the content of the material. If imposition of the tax results in litigation, it is possible that no revenues would be collected from the tax.

Domestic Violence Programs. This motion would provide funds to DHFS to establish non-residential local domestic violence programs in each county and tribe that currently do not have a local domestic violence program. Local programs are established at \$30,000 each and provide: (a) 24-hour telephone service; (b) advocacy and counseling; (c) referral and follow-up services; and (d) community education. In addition, this motion would adopt the Governor's recommendation to provide \$150,000 FED annually and \$90,000 PR annually for local domestic violence programs and \$90,000 PR annually to reflect the funding transferred from OJA to fund three additional local programs. A total of 39 local domestic violence programs would be established in counties and tribes with no local program.

This motion would also fund the establishment of 30 programs that would provide services to children from violent homes to provide assessments, orientation, individual counseling, age appropriate education (including dating violence), referral, follow-up, support groups, safety planning and community education and outreach. These programs would be established at \$30,000 each.

[Change to Bill: \$2,250,000 GPR-REV, \$2,234,100 GPR and \$180,000 PR]



ATTACHMENT 1

Exposing Children to Harmful Material

- 948.11 Exposing a child to harmful material. (1) (intro.) Definitions. In this section: (a) (intro.) "Harmful material" means:
 - 1. Any picture, photograph, drawing, sculpture, motion picture film or similar visual representation or image of a person or portion of the human body that depicts nudity, sexually explicit conduct, sadomasochistic abuse, physical torture or brutality and that is harmful to children; or
 - 2. Any book, pamphlet, magazine, printed matter however reproduced or sound recording that contains any matter enumerated in subd. 1., or explicit and detailed verbal descriptions or narrative accounts of sexual excitement, sexually explicit conduct, sadomasochistic abuse, physical torture or brutality and that, taken as a whole, is harmful to children.
- (b) (intro.) "Harmful to children" means that quality of any description or representation, in whatever form, of nudity, sexually explicit conduct, sexual excitement, sadomasochistic abuse, physical torture or brutality, when it:
 - 1. Predominantly appeals to the prurient, shameful or morbid interest of children;
 - 2. Is patently offensive to prevailing standards in the adult community as a whole with respect to what is suitable material for children; and
 - 3. Lacks serious literary, artistic, political, scientific or educational value for children, when taken as a whole.
- (c) "Knowledge of the nature of the material" means knowledge of the character and content of any material described herein.
- (d) "Nudity" means the showing of the human male or female genitals, pubic area or buttocks with less than a full opaque covering, or the showing of the female breast with less than a fully opaque covering of any portion thereof below the top of the nipple, or the depiction of covered male genitals in a discernibly turgid state.
- (e) "Person" means any individual, partnership, firm, association, corporation or other legal entity.
- (f) "Sexual excitement" means the condition of human male or female genitals when in a state of sexual stimulation or arousal.

Court-Appointed Special Advocates

Motion:

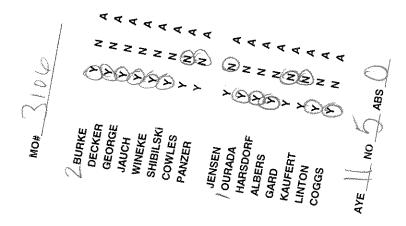
Move to provide \$50,000 GPR annually to DHFS to fund grants to local organizations that provide court-appointed special advocate services and are recognized by the county to perform advocacy services for children alleged to be in need of protection and services.

Note:

This motion would create a program to provide grants to court-appointed special advocate programs in the state. Generally, these programs involve volunteers that provide advocacy services to children involved in court proceedings where abuse or neglect has been alleged. These programs supplement services provided by guardians ad litem which are appointed by the juvenile court to advocate on behalf of a child in need of protection or services (CHIPS) proceeding. Costs which would be supported by these grants include training both staff and volunteer advocates, supervising volunteers and administrative costs.

Under current law, court-appointed special advocates are recognized as individuals who may participate in a CHIPS proceeding and receive confidential information regarding a child. Currently, no state funding is used to directly fund these programs.

[Change to Bill: \$100,000 GPR]



Child Abuse Home Visiting Program and Flexible Grants Programs

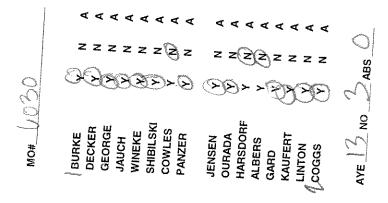
Motion:

Move to provide \$1,400,000 GPR in 1997-98 in the Committee's supplemental appropriation for the potential enactment of the Legislative Council draft related to a child abuse prevention home visiting program and flexible grant program. This funding would be reserved in the Committee's supplemental appropriation and could be released to DHFS upon enactment of the draft.

Note:

The Legislative Council's draft was prepared for, and recommended for passage by the Joint Legislative Council's Special Committee on Prevention of Child Abuse and Neglect. The draft would provide funding to support: (a) child abuse and neglect prevention grants; (b) medical assistance case management services; and (c) technical assistance training.

[Change to Bill: \$1,400,000 GPR]



CHILD ABUSE AND NEGLECT PREVENTION BOARD

LFB Summary Items for Which No Issue Papers Have Been Prepared

1 Standard Budget Adjustments
2 Miscellaneous Adjustments
3 Program Revenue and Segregated Revenue Reestim
4 Federal Revenue Reestimates
5 Information Technology

MO#			
BURKE	Υ	N	A
DECKER	Υ	N	A
GEORGE	Υ	N	A
JAUCH	Υ	N	A
WINEKE	Υ	N	A
SHIBILSKI	Υ	N	A
COWLES	Υ	N	A
PANZER	Υ	N	A
JENSEN	Υ	N	Δ
OURADA	Υ	N	A
HARSDORF	Υ	N	A
ALBERS	Υ	N	A
GARD	Υ	N	A
KAUFERT	Υ	N	A
LINTON	γ	Ν	A
COGGS	Υ	N	A
AYE NO _	AI	3S	